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Attorneys for Plaintiff
 HEWLETT-PACKARD COMPANY

UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 OAKLAND DIVISION

HEWLETT PACKARD COMPANY, a
 Delaware Corporation,

Plaintiff,

v.

GERALD CHAMALES CORP., a California
 corporation, doing business as RHINOTEK
 COMPUTER PRODUCTS, INC. and also
 doing business as OMNI COMPUTER
 PRODUCTS,

Defendant.

No. C 05 01238 CW

CONSENT JUDGMENT AND
 PERMANENT INJUNCTION

In this action for false advertising and unfair competition against Defendant Defendant Gerald Chamales Corp. ("Defendant"), Plaintiff Hewlett-Packard Company seeks permanent injunctive relief, actual damages, and attorney's fees. This Court has jurisdiction over the subject matter of the action and over the parties.

The parties have agreed to entry of this Consent Judgment and Permanent Injunction in compromise of their respective claims and defenses in this action. Good cause appearing therefor,

1 IT IS HEREBY ADJUDGED, DECLARED AND ORDERED THAT:

2 1. Effective December 1, 2005, Defendant, including its shareholders, officers,
 3 owners, agents, parents, subsidiaries, employees and all persons acting or claiming to act on
 4 its behalf, under its direction or authority, and all persons acting or claiming to act in concert
 5 or in participation with them or any of them, are permanently enjoined from selling, offering
 6 for sale, or otherwise distributing spent or used HP inkjet cartridges that have been refilled
 7 (hereinafter "Rhinotek Inkjet Products") unless the Consumer Disclosure (as defined below)
 8 is prominently and legibly displayed on the front-most panel of each Rhinotek Inkjet
 9 Product's outer packaging, and on any associated advertising and sales materials.

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 11 a. The Consumer Disclosures are "Used Cartridge," "Refilled Cartridge" or
 12 "Recycled Cartridge." Rhinotek will not add any other words, symbols, or numbers to the
 13 Consumer Disclosure.

14 b. The Consumer Disclosure must be no smaller than one-eighth of an inch in
 15 height and two inches in width.

16 c. The Consumer Disclosure must be the uppermost text on the front face of
 17 the package, excepting that Rhinotek may elect to place the phrase "100% GUARANTEED"
 18 above the Consumer Disclosure in the same or a smaller size.

19 d. The Consumer Disclosure must appear in solid black print against a sharply
 20 contrasting background.

21 e. The Consumer Disclosure on the package must be surrounded by adequate
 22 clear space of at least one-eighth of an inch on all sides.

23 2. Effective September 14, 2005, Rhinotek will not order any packaging or
 24 promotional materials that do not bear a Consumer Disclosure as described herein.

25 3. For avoidance of doubt, nothing herein restricts the subsequent sale or
 26 distribution of Rhinotek Inkjet Products that Rhinotek has placed in the channel (e.g.,
 27 Ingram Micro) prior to December 1, 2005.
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1 4. Effective December 1, 2005, Defendant, including its shareholders, officers,
 2 owners, agents, parents, subsidiaries, employees and all persons acting or claiming to act on
 3 its behalf, under its direction or authority, and all persons acting or claiming to act in concert
 4 or in participation with them or any of them, are permanently enjoined from use of the
 5 phrase "Heavy Duty" in connection with the Rhinotek Inkjet Products except as part of the
 6 logo depicted below which may appear on the Rhinotek Inkjet Products packaging:
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 11 5. Effective December 1, 2005, Defendant, including its shareholders, officers,
 12 owners, agents, parents, subsidiaries, employees and all persons acting or claiming to act on
 13 its behalf, under its direction or authority, and all persons acting or claiming to act in concert
 14 or in participation with them or any of them, are permanently enjoined from increasing the
 15 size and visual impact of the largest package reference to HP or HP products on its inkjet
 16 packaging unless the size and visual impact of the Consumer Disclosure are increased
 17 proportionately.

18 6. Defendant, including its shareholders, officers, owners, agents, parents,
 19 subsidiaries, employees and all persons acting or claiming to act on its behalf, under its
 20 direction or authority, and all persons acting or claiming to act in concert or in participation
 21 with them or any of them, are permanently enjoined from using on its Rhinotek Inkjet
 22 Product's outer packaging and on any associated advertising and sales materials the term
 23 "manufacturing" or the phrase "manufactured with recycled components," or similar terms
 24 or phrases to describe the process of cleaning, testing and refilling an HP inkjet cartridge.
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1 DATED: October 11, 2005

2 /s/ CLAUDIA WILKEN

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HON. CLAUDIA WILKEN
UNITED STATES DISTRICT JUDGE
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CLAUDIA WILKEN
CLERK
UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

1 IT IS AGREED that this Consent Judgment and Permanent Injunction may be
2 entered as a final determination between the Parties in this Action.
3

4 DATED: October __, 2005.

MARTIN R. GLICK
JEFFREY E. FAUCETTE
ROBERT T. CRUZEN
HOWARD RICE NEMEROVSKI CANADY
FALK & RABKIN
A Professional Corporation

8 By: _____
MARTIN R. GLICK

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CORP., a California corporation, doing business as
RHINOTEK COMPUTER PRODUCTS, INC. and
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